BRANDON UNIVERSITY

ANNUAL FINANCIAL REPORT

For the year ended March 31, 2004

BRANDON
UNIVERSITY

Founded 1899

105-01374/

BRANDON UNIVERSITY

Responsibility for Financial Statements

The Office of the Vice-President (Administration & Finance) of Brandon University is responsible for the preparation and presentation of the financial statements and accompanying notes. The financial statements are prepared in conformity with the accounting policies noted in the financial statements, and are reviewed and approved by the Board of Governors. The statements are examined by the Provincial Auditor of the Province of Manitoba, whose opinion is included herein.

To fulfil its responsibility, the University maintains internal control systems to provide reasonable assurance that relevant and reliable financial information is produced.

J. E. Deller

Terri Deller, B.A., LL.B.
Treasurer, Board of Governors

Scott J. B. Lamont

Scott J. B. Lamont, CGA, MBA
Vice-President (Administration & Finance)

May 14, 2004

Office of the Auditor General

500 - 330 Portage Avenue
Winnipeg, Manitoba
CANADA R3C 0C4

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba, and
To the Board of Governors of Brandon University

We have audited the statement of financial position of Brandon University as at March 31, 2004 and the statements of changes in net assets, operations and cash flow for the year then ended. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the University as at March 31, 2004, the results of its operations and cash flow for the year then ended in accordance with Canadian generally accepted accounting principles.

Winnipeg, Manitoba
May 14, 2004

Jon W. Singleton, CA•CISA
Auditor General

Brandon University

Statement of Financial Position
as at March 31, 2004

ASSETS

	2004	2003
Current Assets		
Cash and cash equivalents (note 3)	$ 5,361,207	$ 6,757,015
Accounts receivable	1,906,936	2,320,104
Inventory	403,936	352,661
Prepaid expenses	222,531	184,822
	7,894,610	9,614,602
Trust and Endowment Funds held by Brandon University Foundation (notes 2D and 4)	21,728,823	21,172,743
Loan receivable (note 8)	81,302	83,772
Investment in Subsidiary Company (notes 2E and 10)	1	218,188
Capital Assets and Collections (notes 2F and 6)	42,042,489	42,372,882
	$ 71,747,225	$ 73,462,187

LIABILITIES & NET ASSETS

	2004	2003
Current Liabilities		
Accounts payable and accrued liabilities	$ 4,012,937	$ 4,203,292
Due to WESTARC Group Inc. (note 11)	1	219,370
Deferred income	209,787	187,869
Deferred contributions (note 7)	2,654,653	2,717,732
Current portion of long term debt (note 12)	86,578	81,406
	6,963,956	7,409,669
Long term Liability		
Mortgages payable (note 12)	1,720,492	1,807,069
Deferred building contribution (note 7)		612,901
Unamortized Deferred Capital Contributions (note 7)	34,772,521	35,069,514
Trust and Endowment Funds (notes 2D and 4)	21,728,823	21,172,743
Net Assets		
Unrestricted net assets	614,189	1,729,911
Internally restricted net assets (note 5)	484,345	245,486
Investment in capital assets and collections	5,462,899	5,414,894
	6,561,433	7,390,291
	$ 71,747,225	$ 73,462,187

Approved by the Brandon University
Board of Governors on June 24, 2004

J. E. Deller
Treasurer

Vice-President (Administration & Finance)

The accompanying notes are an integral part of these financial statements.

Brandon University

Statement of Changes in Net Assets
for the year ended March 31, 2004

	Unrestricted Net Assets	Internally Restricted Net Assets	Investment in Capital Assets and Collections	Total 2004	Total 2003
Balance, beginning of year	$ 1,729,911	$ 245,486	$ 5,414,894	$ 7,390,291	$ 8,724,583
Change in accounting policy (note 19)					(1,517,251)
	1,729,911	245,486	5,414,894	7,390,291	7,207,332
Reclassify account balances	6,086			6,086	671
Restated balance, beginning of year	1,735,997	245,486	5,414,894	7,396,377	7,208,003
Excess/(deficit) of revenues over expenses	(853,784)			(853,784)	87,307
Direct increases to net assets					
Donations of capital assets			18,840	18,840	94,981
Transfers					
Internally funded					
Capital asset additions	(1,074,374)		1,074,374		
Capital asset disposals (net)	23,394		(23,394)		
Amortization	1,103,221		(1,103,221)		
Repayment of long term debt	(81,406)		81,406		
Allocation to internally restricted net assets	(305,553)	305,553			
Internally restricted net asset purchases	66,694	(66,694)			
Balance, end of year	$ 614,189	$ 484,345	$ 5,462,899	$ 6,561,433	$ 7,390,291

The accompanying notes are an integral part of these financial statements.

Brandon University

Statement of Operations
for the Year Ended March 31, 2004

	2004	2003
Revenues		
Tuition fees	$ 9,439,742	$ 9,413,683
Grants		
Council on Post-Secondary Education	23,670,973	22,183,494
Province of Manitoba	347,266	417,177
Government of Canada	1,366,790	1,197,739
City of Brandon		50,000
Sales of goods and services	4,870,643	4,624,272
Brandon University Foundation	1,163,429	1,335,284
Amortization of deferred capital contributions	1,551,629	1,454,012
Gain on disposal of capital assets		9,506
Miscellaneous	913,095	989,616
	43,323,567	41,674,783
Expenses		
Salaries - academic	15,308,506	14,044,472
Salaries - support	10,387,696	9,976,878
Benefits	3,799,625	3,371,474
Travel	1,534,792	1,488,807
Supplies and other expenses	5,477,077	5,201,674
Property taxes	1,121,339	1,399,884
Utilities	1,103,603	1,025,459
Cost of goods sold	1,786,967	1,752,983
Scholarships and bursaries	833,379	768,506
Interest on long term debt	135,181	140,028
Amortization expense	2,654,850	2,511,515
Loss on disposal of capital assets	18,363	
Loss of subsidiary	7,104	4,446
Increase/(decrease) in amount of accrued expenses	8,869	(98,650)
	44,177,351	41,587,476
Excess/(deficit) of revenues over expenses	$ (853,784)	$ 87,307

The accompanying notes are an integral part of these financial statements.

Brandon University

Statement of Cash Flow
for the Year Ended March 31, 2004

	2004	2003
Cash Provided By (Used In) Operating Activities		
Excess/(deficit) of revenues over expenses	$ (853,784)	$ 87,307
Items not affecting cash flow		
Amortization of deferred capital contributions	(1,551,629)	(1,454,012)
Amortization of capital assets	2,654,850	2,511,515
Loss/(gain) on disposal of capital assets	18,363	(9,506)
Loss of subsidiary	7,104	4,446
Decrease/(increase) in non-cash operating working capital	(120,615)	816,426
	154,289	1,956,176
Cash Provided By (Used In) Investing Activities		
Decrease in loan receivable	2,470	2,282
Transfer of retained earnings from Brandon University Holding Company Limited	211,083	
Capital asset additions	(2,347,850)	(6,531,615)
Proceeds on disposal of capital assets	5,031	11,784
	(2,129,266)	(6,517,549)
Cash Provided By (Used In) Financing Activities		
Long term debt repayments	(81,406)	(76,560)
Capital contributions received	660,575	1,275,033
	579,169	1,198,473
Decrease in cash and cash equivalents	(1,395,808)	(3,362,900)
Cash and cash equivalents, beginning of year	6,757,015	10,119,915
Cash and cash equivalents, end of year	$ 5,361,207	$ 6,757,015

The accompanying notes are an integral part of these financial statements.

1. Authority and Purpose

Brandon University operates under the authority of the Brandon University Act of the Province of Manitoba. Brandon University offers undergraduate programs in arts, science, education, music, and health studies; and offers graduate programs in education, music and rural development. The University is a registered charity and is exempt from the payment of income taxes.

2. Summary of Significant Accounting Policies and Reporting Practices

A. General

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

B. Revenue Recognition

Operating grants are recognized as revenue in the period received. Revenues received for the provision of goods and services are recognized in the period in which the goods are provided or the services rendered or substantially rendered.

The University accounts for contributions using the deferral method. Deferred contributions are externally restricted non-capital contributions which are deferred and are recognized as revenue in the period in which the related expenses are incurred. Externally restricted amounts can only be used for the purposes designated by external parties.

Externally restricted contributions for the acquisition of capital assets having limited lives are recorded as deferred capital contributions in the period in which they are received and, when expended, are transferred to unamortized deferred capital contributions. Unamortized deferred capital contributions are recognized as earned revenue in the periods in which the related amortization expense of the funded capital asset is recorded.

C. Short Term Investments

Short term investments are recorded at cost and are unspent operating, capital and restricted funds that are invested to generate income used to fund general operations of the University. Short term investments also includes a mutual fund that provides a benefit provision for a former WESTARC employee as a part of that individual's contract of employment.

D. Trust and Endowment Fund

In order to consolidate fund raising activities and the administration of trust and endowment funds, Brandon University, Brandon University Foundation and Brandon University Alumni Association entered into an agreement in October 1989, which was updated in April 2001. The parties to the agreement recognize and agree that the University has exclusive and ultimate control over the consolidated assets and for the eventual disposition of all funds collected on its behalf in the future.

Funds transferred from the Brandon University Foundation to the University are recorded as revenue in the period they were received by the University.

The net change in the funds held by the Foundation, as a result of the Foundation's activities over the year, is added to Funds held by Brandon University Foundation and to the Trust and Endowment Fund.

E. Investment in Subsidiary Companies

The University accounts for its investment in the subsidiary companies in accordance with a modification of the equity method. Under this method, contributions to the subsidiary companies and earnings of the subsidiary companies are added to the investment in the subsidiaries. Dividends received from the subsidiary companies are deducted from the investment in the subsidiaries. The income or losses of the subsidiaries are included in the statement of operations.

F. Capital Assets and Collections

Capital assets purchased by the University are recorded at cost. Donated assets are recorded at the fair market value on the date received. On the disposition of a capital asset, both the cost and any accumulated amortization are removed from the accounts.

Capital assets are amortized on a straight line basis over the estimated useful lives of the assets. Amortization rates are as follows:

Buildings	50 years
Furnishings and equipment	10 years
Computer equipment	5 years
Vehicles	5 years
Library collections	10 years

The capital assets include collections of works of art, gemstones and rare books which have been donated to the University. These collections are not amortized.

G. Inventory

Inventories are valued at the lower of cost and net realizable value.

H. Pension Plans

The University contributes to the Brandon University Retirement Plan which is a trustee-administered pension plan for University employees. Contributions by the University are recorded as expenses.

The accounts of the Brandon University Retirement Plan do not form part of the financial statements of the University. The Auditor General audits the financial statements of the Plan.

I. Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the allowance for doubtful accounts and determination of useful lives of capital assets for amortization. Actual results could differ from these estimates.

3. Cash and Cash Equivalents

Cash and cash equivalents are summarized as follows:

	2004	2003
Cash	$4,315,818	$ 580,817
Short term investments	998,391	6,129,200
Mutual funds	46,998	46,998
	$5,361,207	$ 6,757,015

The fair market value of the short term investments and mutual funds is $1,055,004 (2003 -$6,180,340).

4. Funds Held by Brandon University Foundation

The trust and endowment funds held by the Brandon University Foundation of $21,728,823 as at December 31, 2003 have been included with the assets of the University. The investments of the Foundation are recorded at cost. The transactions from January 1, 2004 to March 31, 2004 which would have increased the fund balance by approximately $131,046 have not been included in these financial statements.

The value of outstanding pledges to the Foundation as at March 31, 2004 is $188,927 (2003 - $195,771). These will be recorded as revenue by the University when transferred to the University from the Foundation.

5. Internally Restricted Net Assets

Internally restricted net assets represent amounts set aside by the University for the following specific purposes:

	Opening Balance	Current Provision	Purchases	2004 Closing Balance
Ancillary enterprises	$ 184,835	$ 31,870	$ (24,844)	$ 191,861
Building renovations		226,083		226,083
Mail/Print services	1,350			1,350
Telephone replacement	19,685	47,600	(16,143)	51,142
Vehicle replacement	39,616		(25,707)	13,909
	$ 245,486	$ 305,553	$ (66,694)	$ 484,345

6. Capital Assets and Collections

	Cost	Accumulated Amortization	2004 Net Book Value	2003 Net Book Value
Land	$ 500,530	$	$ 500,530	$ 500,530
Buildings	63,308,251	(29,000,536)	34,307,715	34,741,913
Furniture and equipment	13,612,200	(9,383,484)	4,228,716	4,238,275
Library collections	6,413,191	(4,503,656)	1,909,535	1,815,011
Collections	1,095,993		1,095,993	1,077,153
	$ 84,930,165	$(42,887,676)	$ 42,042,489	$ 42,372,882

Capital asset additions during the year included donations in kind in the amount of $ 18,840 (2003- $ 94,981).

7. Deferred Contributions and Unamortized Deferred Capital Contributions

Deferred contributions represent contributions received for special purposes and unspent funds for restricted purposes. Unamortized deferred capital contributions represent the funded portion of capital assets which will be recognized as revenue in future periods and matched against the applicable amortization charged in that period. Changes in the deferred contributions and unamortized deferred capital contributions balances are as follows:

	2004 Deferred Contributions	2004 Unamortized Deferred Capital Contributions	2003 Deferred Contributions	2003 Unamortized Deferred Capital Contributions
Balance, beginning of year	$ 3,330,633	$ 35,069,514	$ 7,579,808	$ 31,020,340
Contributions received	7,005,844		7,428,042	
Transfers to revenue				
Tuition, grants and contributions	(6,427,188)		(6,174,031)	
Amortization of assets acquired from capital assets		(1,551,629)		(1,454,012)
Transferred to acquire capital assets	(1,254,636)	1,254,636	(5,503,186)	5,503,186
Balance, end of year	$ 2,654,653	$ 34,772,521	$ 3,330,633	$ 35,069,514
Balance consists of:				
Research	$ 1,628,957		$ 1,675,401	
Special programs	1,025,696		1,042,331	
Capital			612,901	
	$ 2,654,653		$ 3,330,633	

The deferred capital contribution is the balance of a one time grant received in March, 2001 from the Council on Post-Secondary Education for the expansion of the health studies facilites.

8. Loan Receivable

The University issued a loan of $96,240 to Bran-U-Day Care Inc. on April 1, 1995 to cover the remaining debt on the building. The terms are monthly installments of $694.92 due on the 1st day of each month with the entire amount due on the 1st day of April, 2005. The rate of interest is 8.125% for this 5 year period.

The loan receivable as at March 31, 2004, was $ 81,302 (2003- $83,772).

9. Pension Plans

The Brandon University Retirement Plan is a final average contributory defined benefit pension plan established April 1, 1974 for the benefit of the employees of Brandon University. The assets of the Plan are held by CIBC Mellon Global Securities Services Company in the name of ten trustees - eight elected by and from the Plan membership and two appointed by the Board of Governors. The trustees oversee the administration of the Plan and set forth the investment guidelines. Their obligations and responsibilities are defined in a trust agreement with Brandon University. Connor, Clark & Lunn Investment Management Ltd. invests the Plan assets according to an agreement with the trustees and as required by law. The Plan is registered with the Pension Commission of Manitoba and meets the requirements of the Pension Benefits Act of Manitoba. Unless otherwise stated, all Brandon University employees are eligible to become members of the Plan on their date of employment. Full-time and certain part-time employees are required to join the Plan. Membership is optional for other part-time and certain specified employees. The Plan receives its funds from the contributions of members, the required and special contributions of Brandon University and the income from investments.

Actuarial valuations of the Brandon University Retirement Plan are carried out every three years and provide an estimate of the accrued pension benefits. The actuarial present value of accrued pension benefits was determined using the accrued benefit method prorated on service and using assumptions recommended by the actuary and approved by the Trustees. Based on the latest actuarial valuation of the plan conducted by Eckler Partners Ltd., a firm of consulting actuaries, as at December 31, 2003 the accrued pension benefits were $75,220,000. This valuation established a Plan surplus of $2,819,000 using the accrued benefit method as at that date. The next actuarial valuation is required as at December 31, 2006 and will be completed in 2007.

The actuarial present value of pension benefits as at December 31, and the principal components of changes in the actuarial present values during the year, were as follows:

	(in thousands of dollars) 2003	2002
Actuarial present value of accrued pension benefits, beginning of year	$ 70,880	$ 66,831
Interest accrued on benefits	4,682	4,409
Benefits accrued	2,779	2,644
Benefits paid	(2,952)	(3,004)
Benefit increase	400	
Actuarial gain	(569)	
Actuarial present value of accrued pension benefits, end of year	$ 75,220	$ 70,880

The assumptions used in determining the actuarial value of accrued pension benefits were developed by reference to expected long-term market conditions. Significant actuarial assumptions used in the valuation at December 31, 2003 were:

Rate of return on investments	-pre-retirement	6%
	-post-retirement	6%
Rate of salary increases		4%

The actuarial value of net assets available for pension benefits has been determined at amounts that reflect long-term market trends (consistent with the assumptions underlying the valuation of accrued pension benefits). The valuation is based on a four-year moving average market method. Under this method, the market value is the underlying basis, and gains or losses are amortized over a four year period.

The actuarial values of net assets as at December 31 were:

	(in thousands of dollars) 2003	2002
Market value of net assets available for pension benefits	$ 77,124	$ 69,540
Market value changes not reflected in the actuarial value of net assets	915	3,477
Actuarial value of net assets available for pension benefits	$ 78,039	$ 73,017

Pension contributions by the University for the year ended March 31, 2004 were $ 1,438,865 (2003 - $ 1,171,027).

10. Investment in Subsidiary Companies

Brandon University Holding Company Limited was incorporated in 1985 as a wholly-owned subsidiary company of Brandon University. The Holding Company was established for the purpose of holding shares in subsidiary companies.

WESTARC Group Inc., a wholly-owned subsidiary company of Brandon University Holding Company Limited, was incorporated in 1985. WESTARC Group Inc. was established to disseminate expertise from the University to the public and private sectors. On August 16, 2001, the Board of Governors of Brandon University approved a resolution that control of WESTARC Group Inc., including assets, obligations and operations be transferred to the Board of Governors of Brandon University, and that the Board of Directors of WESTARC Group Inc. be dissolved.

As at March 31, 2004, WESTARC Group Inc. is no longer an active company therefore the investment in Brandon University Holding Company Limited was transferred to Brandon University.

The following is a summary of the investment in Brandon University Holding Company Limited for the year ended March 31, 2004:

	2004	2003
Investment, beginning of year	$ 218,188	$ 222,634
Net loss from operations	(7,104)	(4,446)
Transfer investment in subsidiary to Brandon Unversity	(211,083)	
Investment, end of year	$ 1	$ 218,188

11. Related Party Transactions

As at March 31, 2004, there was an amount of $1 (2003 - $ 219,370) due to WESTARC Group Inc. from Brandon University.

12. Long Term Liability - Mortgages Payable

	2004	2003
Canada Mortgage and Housing Corporation 5 1/8% mortgage, $41,608 combined principal and interest payable semi-annually July 1 and January 1 to 2012.	$ 567,626	$ 619,738
Canada Mortgage and Housing Corporation 8 1/4% mortgage, $66,686 combined principal and interest payable semi-annually April 1 and October 1 to 2021.	1,239,444	1,268,737
	1,807,070	1,888,475
Current portion of long term debt	86,578	81,406
	$ 1,720,492	$ 1,807,069

Principal payments in the next five years are as follows:

2005	$ 86,578
2006	$ 92,097
2007	$ 97,990
2008	$ 104,282
2009	$ 111,001

13. Brandon Centennial Auditorium Corporation Inc.

Under an arrangement between the University, the Province of Manitoba and the City of Brandon, the University built an Auditorium on its property for the benefit of the citizens of Western Manitoba. The expenditures for the building and furnishings were financed from contributions by the Governments of Canada and Manitoba, the City of Brandon and citizens through fundraising campaigns.

The Auditorium has been leased to the Brandon Centennial Auditorium Corporation Inc. for a nominal consideration of $1 under a 99 year lease which expires 2064 A.D. The University is reimbursed for services supplied to the auditorium as required by the agreement.

14. Knowles-Douglas Student Union Centre

The Knowles-Douglas Student Union Centre has been leased to the Knowles- Douglas Student Union Centre Inc. for the nominal consideration of $1 per year under a 50 year lease which expires 2035 A.D. The University supplies certain services to the Centre as required by the lease.

15. Commitments

An agreement between the University and the Brandon University Students' Union Inc. provides for the equal sharing of profits of the University's bookstore operations. The Students' Union share of profits amounted to $64,490 for the year ended March 31, 2004 (2003 - $65,895).

16. Accrued Expenses

The following expenses have been accrued and will be funded from future revenues:

	2004	2003
Unfunded employee benefits - vacation accruals	$ 611,770	$ 579,259
Unfunded employee future benefits	633,000	587,000
Unfunded property taxes	207,251	276,893
	$1,452,021	$1,443,152

17. Employee Future Benefits

Accounting standards require the use of accrual accounting for costs related to employee future benefits. These non-pension benefits include severance and retiring allowance benefits payable upon retirement. The costs of these future benefits have been determined by an actuary and the costs will be recognized over the service life of the employees or the period to full eligibility of the employee group depending on the type of cost.

The actuarial valuation provides the present value of benefit obligations as well as the current cost and the interest cost on the benefit obligation. This accrued benefit obligation has not been funded.

	2004	2003
Accrued benefit obligation, beginning of year	$ 587,000	$ 548,000
Employer accrual	29,000	29,000
Benefit payments	(21,000)	(35,000)
Interest at 6.5%	38,000	37,000
Accrued benefit obligation, end of year	633,000	579,000
Accrued benefit obligation, restated at 6.5%		8,000
Accrued benefit obligation, as restated	$ 633,000	$ 587,000

18. Financial Instruments

The financial instruments of the University consist of cash and cash equivalents, accounts receivable, long-term investments, accounts payable, amounts due to (from) related parties and long-term debt. Unless otherwise noted, it is management's opinion that the University is not exposed to significant interest, currency or credit risks arising from these financial instruments.

19. Change in Accounting Policy

Prior to 2003 the Accrued Expenses (note 16) were reported as Expenses Funded from Future Revenues in the Statement of Financial Position. A decision was made to expense these costs.

As a result of this change in policy, the prior periods have been adjusted retroactively, effective March 31, 2001. The result of this was to decrease the opening balance of Net Assets by $1,517,251 as at April 1, 2001 and decrease the March 31, 2003 closing balance by $1,443,153 (2002 - $1,541,803) and increase/(decrease) the excess of revenues over expenses at March 31, 2003 by $98,650 (2002 - ($24,552)).

20. Restatement of Accounts

Comparative figures for the year ended March 31, 2003 have been restated where necessary to conform with the presentation adopted for the year ended March 31, 2004.

Brandon University

Additional Financial Information
for the year ended March 31, 2004

The foregoing consolidated financial statements and accompanying notes to the financial statements have been audited by the Auditor General for Manitoba and are the subject of the audit report dated May 14, 2004.

The following schedules 1 through 8 have been prepared to provide additional information and are not covered in the Auditor's report. The information in schedule 7 is used for the program costing calculations.

Schedule 1
(unaudited)

Brandon University

Detailed Schedule of Operations - Unrestricted
for the Year Ended March 31, 2004

	General Operating	Ancillary Operations	Total 2004	Total 2003
REVENUES				
Tuition fees	$ 7,799,656	$	$ 7,799,656	$ 7,313,771
Grants				
Council on Post-Secondary Education	20,941,337	216,588	21,157,925	20,301,790
City of Brandon				50,000
Sales of goods and services		4,184,152	4,184,152	4,008,638
Brandon University Foundation	1,163,429		1,163,429	1,335,284
Amortization of deferred capital contributions	1,551,629		1,551,629	1,454,012
External cost recoveries	686,491		686,491	615,634
Internal cost recoveries	134,933		134,933	146,375
Gain on disposal of capital assets				9,506
Miscellaneous	397,482		397,482	440,189
	32,674,957	4,400,740	37,075,697	35,675,199
EXPENSES				
Salaries - academic	13,506,701		13,506,701	12,353,667
Salaries - support	7,272,169	948,734	8,220,903	7,951,780
Benefits	3,157,802	140,904	3,298,706	2,934,243
Travel	829,779		829,779	741,657
Supplies and other expenses	3,619,973	783,764	4,403,737	4,102,374
Property taxes	1,121,339		1,121,339	1,399,884
Utilities	793,822	309,781	1,103,603	1,025,459
Cost of goods sold		1,786,967	1,786,967	1,752,983
Scholarships and bursaries	833,379		833,379	768,506
Interest on long term liabilities		135,181	135,181	140,028
Amortization	2,654,850		2,654,850	2,511,515
Loss on disposal of capital assets	18,363		18,363	
Loss of subsidiary	7,104		7,104	4,446
Net increase in accrued vacation pay	32,511		32,511	51,118
Net increase in accrued future employee benefits	46,000		46,000	39,000
Net decrease in accrued property taxes	(69,642)		(69,642)	(188,768)
	33,824,150	4,105,331	37,929,481	35,587,892
Excess/(deficit) of revenues over expenses	$ (1,149,193)	$ 295,409	$ (853,784)	$ 87,307

Schedule 2
(unaudited)

Brandon University

Detailed Schedule of Operations - Restricted
for the Year Ended March 31, 2004

	Research & Special Projects	Special Programs	Restricted Capital	Total 2004	Total 2003	Deferred Contributions 2004	Deferred Contributions 2003	Transfer To Statement of Operations 2004	Transfer To Statement of Operations 2003
Revenues									
Tuition fees	$	$ 1,640,086	$	$ 1,640,086	$ 2,099,912	$	$	$ 1,640,086	$ 2,099,912
Grants									
COPSE	1,053,600	1,448,800	368,462	2,870,862	2,857,840	(357,814)	(976,136)	2,513,048	1,881,704
Province of Manitoba	420,486			420,486	301,866	(73,220)	115,311	347,266	417,177
Government of Canada	1,492,239			1,492,239	1,618,839	(125,449)	(421,100)	1,366,790	1,197,739
Miscellaneous	582,171			582,171	549,585	(66,558)	(158)	515,613	549,427
	3,548,496	3,088,886	368,462	7,005,844	7,428,042	(623,041)	(1,282,083)	6,382,803	6,145,959
Expenses									
Salaries - academic		1,801,805		1,801,805	1,690,805			1,801,805	1,690,805
Salaries - support	1,844,242	322,551		2,166,793	2,025,098			2,166,793	2,025,098
Benefits	210,846	290,073		500,919	437,231			500,919	437,231
Travel	287,791	417,222		705,013	747,150			705,013	747,150
Supplies and other expenses	940,390	267,883		1,208,273	1,245,675			1,208,273	1,245,675
	3,283,269	3,099,534		6,382,803	6,145,959			6,382,803	6,145,959
Excess/(deficit) of revenues over expenses	$ 265,227	$ (10,648)	$ 368,462	$ 623,041	$ 1,282,083	$ (623,041)	$ (1,282,083)	$ -	$ -

Schedule 3
(unaudited)

Brandon Universitv

Deferred Contributions and Unamortized Deferred Capital Contributions

for the Year Ended March 31, 2004

	Research & Special Projects	Special Programs	Restricted Capital	Total 2004	Total 2003	Unamortized Deferred Capital Contributions 2004	Unamortized Deferred Capital Contributions 2003
Contributions received							
Tuition and related fees	$	$ 1,640,086	$	$ 1,640,086	$ 2,099,912	$	$
Grants	2,966,325	1,448,800	368,462	4,783,587	4,778,545		
Miscellaneous	582,171			582,171	549,585		
Expenses	(3,283,269)	(3,099,534)		(6,382,803)	(6,145,959)		
Transfers from (to):							
Unrestricted accounts	(38,300)			(38,300)	(28,072)		
Capital aquisitions	(267,286)	(5,987)	(981,363)	(1,254,636)	(5,503,186)	1,254,636	5,503,186
Amortization of deferred capital contributions						(1,551,629)	(1,454,012)
	(40,359)	(16,635)	(612,901)	(669,895)	(4,249,175)	(296,993)	4,049,174
Deferred balance, beginning of year	1,675,401	1,042,331	612,901	3,330,633	7,580,479	35,069,514	31,020,340
Reclassify deferred balances	(6,085)			(6,085)	(671)		
Restated deferred balance, beginning of year	1,669,316	1,042,331	612,901	3,324,548	7,579,808	35,069,514	31,020,340
Deferred balance, end of year	$ 1,628,957	$ 1,025,696	$ -	$ 2,654,653	$ 3,330,633	$ 34,772,521	$ 35,069,514

Schedule 4
(unaudited)

Brandon University

Schedule of Investment in Capital Assets and Collections
for the Year Ended March 31, 2004

	Total 2004	Total 2003
Balance, beginning of year	$ 5,414,894	$ 5,369,686
Internally funded capital asset additions		
General operating funds		
Land and buildings	82,512	
Furniture and equipment	535,626	359,133
Library acquisitions	433,902	538,678
Ancillary operations		
Furniture and equipment	22,334	35,637
	1,074,374	933,448
Non-amortizable capital asset donations	18,840	94,981
Disposals (net) - internally funded capital assets	(23,394)	(2,278)
Amortization of internally funded capital assets	(1,103,221)	(1,057,503)
Repayment of long term debt	81,406	76,560
Balance, end of year	$ 5,462,899	$ 5,414,894

Brandon University

Schedule of Operating Grants and Other Revenues
for the Year Ended March 31, 2004

	Total 2004	Total 2003
Grants		
Council on Post Secondary Education		
Operating	20,442,008	19,712,312
Renovations and equipment	330,000	330,000
	20,772,008	20,042,312
City of Brandon		50,000
Brandon University Foundation	233,007	348,484
Miscellaneous		
Rentals	22,001	22,001
Sundry	56,721	49,764
Interest income	183,854	291,637
	262,576	363,402
Total Operating Grants and Other Revenues	$ 21,267,591	$ 20,804,198

Schedule 6
(unaudited)

Brandon University

Detailed Schedule of Tuition Fee Revenues
for the Year Ended March 31, 2004

	Total 2004	Total 2003
Tuition Fees		
Undergraduate courses		
Regular session	$ 6,637,725	$ 6,167,449
Spring session	194,659	203,189
Summer session	101,421	110,460
Campus Manitoba	129,801	131,950
	7,063,606	6,613,048
Graduate courses	255,080	211,783
Music Conservatory	357,246	377,245
Other student fees	123,724	111,695
Total Tuition Fee Revenues	$ 7,799,656	$ 7,313,771

Schedule 7
(unaudited)

BRANDON UNIVERSITY

Detailed Schedule of Operating Expenses
for the Year Ended March 31, 2004

	Academic	Support	Benefits	Travel	Supplies & Other Expenses	Deduct: Cost Recoveries	Total March 31, 2004	Total March 31, 2003
Faculty of Arts								
Office of the Dean	334,483	141,263	57,317	60,536	65,627	1,475	657,751	609,597
Drama	92,701	146	15,603	1,803	1,821	1,192	110,882	76,471
Economics	195,853		35,614	3,487	1,691		236,645	165,626
English	331,708		49,342	4,237	2,366		387,653	400,486
History	308,562		46,636	7,314	2,426		364,938	340,263
Languages	218,492	6,735	34,841	2,166	2,648		264,882	248,118
Gender & Women's Studies					200		200	62
Philosophy	224,059		33,218	1,418	996		259,691	241,008
Political Science	303,797	357	30,592	2,567	2,990		340,303	304,095
Religion	177,693		25,503	1,667	1,789		206,652	185,447
Sociology	301,959		46,463	2,286	3,156		353,864	385,306
Native Studies	416,704		57,817	6,156	2,491		483,168	440,541
Business Administration	188,820		29,919	986	5,153		224,878	245,304
Fine Arts	106,672	718	15,716	7,006	22,049	1,535	150,626	84,612
Anthropology	86,948		12,199	1,597	2,374	2,830	100,288	93,368
Rural Development	236,106	580	34,058	1,789	793		273,326	260,362
Archeology Field School		2,613	239	459	1,316		4,627	8,040
Spring/Summer	94,180	572	8,163	129			103,044	95,129
	3,618,737	152,984	533,240	105,603	119,886	7,032	4,523,418	4,183,835
Faculty of Science								
Office of the Dean	84,835	141,247	36,640	20,278	13,058		296,058	344,290
Botany	348,440	3,763	54,115	10,742	17,792		434,852	391,350
Chemistry	350,689	11,903	52,727	7,220	16,935	76	439,398	416,577
Environmental Science	15,819		2,218	3,574	1,931		23,542	
Geography	396,694	6,725	62,168	7,843	19,420	30	492,820	477,864
Geology	315,931	4,388	54,315	7,340	14,910		396,884	356,589
Mathematics/Comp. Sci.	702,323	15,795	104,708	5,683	18,283		846,792	842,610
Physics/Astronomy	413,871	2,663	62,638	6,976	6,858		493,006	482,432
Psychology	560,286	12,011	84,260	5,934	10,559		673,050	631,695
Zoology	453,885	12,426	69,335	8,306	21,850		565,802	515,138
Spring/Summer	17,728	421	1,504		5,570		25,223	11,455
	3,660,501	211,342	584,628	83,896	147,166	106	4,687,427	4,470,000

Schedule 7
(unaudited)

BRANDON UNIVERSITY

Detailed Schedule of Operating Expenses
for the Year Ended March 31, 2004

	Academic	Support	Benefits	Travel	Supplies & Other Expenses	Deduct: Cost Recoveries	Total March 31, 2004	Total March 31, 2003
Faculty of Education								
Office of the Dean	237,014	156,205	52,048	61,727	37,720	2,774	541,940	466,818
Field Experience	204,349	34,189	22,676	19,332	15,725	3,062	293,209	267,313
Educational Foundations	341,455		46,923		2,248		390,626	376,834
Humanities	442,672		58,260		5,193	413	505,712	489,749
Mathematics & Science	419,284		55,937		2,996		478,217	489,364
Administrative Services	290,661		39,516		4,007		334,184	339,886
Physical Education	442,198		78,414	249	8,770	315	529,316	457,834
Joint Music Education					409		409	100
Graduate Studies	61,830		6,212	2,042	5,648		75,732	83,811
Spring/Summer	38,780		2,532	2,785	6,242		50,339	48,627
	2,478,243	190,394	362,518	86,135	88,958	6,564	3,199,684	3,020,336
School of Music	1,495,715	114,933	225,611	72,490	169,839	19,125	2,059,463	1,835,480
School of Health Studies	1,220,015	72,869	195,380	48,285	79,561		1,616,110	1,512,562
Applied Disaster & Emergency Studies	177,229	909	30,689	15,459	89,360		313,646	187,372
First Nations Counselling	236,527	34,171	37,312	17,132	36,076	660	360,558	353,347
Rural Development	96,379	31,364	19,213	1,876	50,878	120	199,590	188,015
Chancellor/Senate		197,310	31,873	3,532	38,547	3,158	268,104	221,686
Music Conservatory	317,113	31,215	4,579	935	29,317	8,960	374,199	382,066
Total Academic	13,300,459	1,037,491	2,025,043	435,343	849,588	45,725	17,602,199	16,354,699
Library Services		959,541	153,141	21,799	352,294	74,912	1,411,863	1,243,239
Student Services								
Student Services		940,008	154,372	46,784	64,802	2,228	1,203,738	1,199,661
Athletic Programs		147,594	24,117	144,899	150,571	164,670	302,511	253,861
		1,087,602	178,489	191,683	215,373	166,898	1,506,249	1,453,522
Administration								
Board of Governors		27,530	4,248	4,613	11,140		47,531	51,562
President		309,101	27,175	17,262	73,830		427,368	513,391
Vice-President (Administration & Finance)		155,771	22,193	5,476	10,017		193,457	190,593
Vice-President (Academic & Research)		188,496	26,279	26,683	6,438	6,197	241,699	481,622
		680,898	79,895	54,034	101,425	6,197	910,055	1,237,168

Schedule 7
(unaudited)

BRANDON UNIVERSITY

Detailed Schedule of Operating Expenses
for the Year Ended March 31, 2004

	Academic	Support	Benefits	Travel	Supplies & Other Expenses	Deduct: Cost Recoveries	Total March 31, 2004	Total March 31, 2003
General Support								
Convocation		3,136	237	333	20,649		24,355	18,625
Information Technology Services		524,983	85,497	5,232	271,326		887,038	1,085,003
Institutional Advancement		371,986	59,095	14,025	109,016	13,063	541,059	454,771
Financial & Registration Services		571,751	106,416	5,286	17,911	43,874	657,490	599,751
Gymnasium facility		75,881	9,736		4,157	9,109	80,665	99,501
Human Resources		290,485	109,955	5,873	56,302		462,615	436,785
Institutional membership fees					16,670		16,670	17,207
Mail Room		21,422	3,582		1,680		26,684	37,828
Print Shop		33,950	5,860		81,743	134,933	(13,380)	(30,851)
Professional fees					66,436		66,436	72,149
		1,893,594	380,378	30,749	645,890	200,979	2,749,632	2,790,769
Miscellaneous Initiatives								
B.J. Hales Museum		12,913	2,326	19	1,689	2,394	14,553	13,474
Bran-U-Day Care subsidy					5,060		5,060	4,873
Office of International Activities		46,293	7,258	6,529	23,421		83,501	86,359
English for Academic Purposes		128,604	12,411	855	23,846	192,002	(26,286)	(20,033)
Research development buyouts/USRA					33,820		33,820	86,579
Other		3,242	34,627		298,014		335,883	147,953
BGS Program					8,454		8,454	7,398
Junior Kindergarten		36,726	6,932		1,860	16,575	28,943	6,102
Recruitment & promotion					56,178		56,178	54,832
Campus Manitoba	206,242	6,561	12,194	448	9,751		235,196	78,780
University scholarships					114,662		114,662	117,190
CIDA/International Scholarships					58,031		58,031	49,195
	206,242	234,339	75,748	7,851	634,786	210,971	947,995	632,702
Physical Plant								
Plant maintenance		535,944	114,086	3,475	174,470	10,405	817,570	634,853
Steam Plant		56,979	8,737		13,708		79,424	81,057
Buildings & grounds		597,939	119,960		72,338	10,509	779,728	863,338
Insurance					113,976		113,976	71,582
Security					38,969		38,969	42,495
Service Contracts					42,439		42,439	42,361
Property Taxes					1,121,339		1,121,339	1,399,884
Utilities					793,822	94,828	698,994	640,910
		1,190,862	242,783	3,475	2,371,061	115,742	3,692,439	3,776,470
Total Operating Expenses	$ 13,506,701	$ 7,084,327	$ 3,135,477	$ 744,934	$ 5,170,417	$ 821,424	$ 28,820,432	$ 27,488,579

Schedule 8
(unaudited)

Brandon University

Detailed Schedule of Ancillary Operations
for the year ended March 31, 2004

	Bookstore	Food Services	Parking	Residence	Total 2004	Total 2003
Revenues						
Room and board fees	$	$ 775,195	$	$ 839,999	$ 1,615,194	$ 1,475,257
Conventions		87,587		59,160	146,747	178,493
Canteen and vending machines		148,279			148,279	213,364
Internal functions		80,479			80,479	80,027
Other	144,440	38,472	137,681	137,775	458,368	443,311
Book sales	1,735,085				1,735,085	1,618,186
Total Revenues	1,879,525	1,130,012	137,681	1,036,934	4,184,152	4,008,638
Expenses						
Salaries	205,447	471,351	56,953	214,983	948,734	915,430
Staff benefits	32,877	73,311	8,372	26,344	140,904	138,546
Cost of goods sold	1,354,355	432,612			1,786,967	1,752,983
Management fees		11,255			11,255	37,193
Supplies and other expenses	100,378	132,929	47,096	392,873	673,276	682,366
Rent	34,743				34,743	34,676
Utilities		71,454	6,015	232,312	309,781	309,537
Students' Union share of Bookstore profit	64,490				64,490	65,895
Total Expenses	1,792,290	1,192,912	118,436	866,512	3,970,150	3,936,626
Net Gain (Loss) from Operations before Specific Provision and capital acquisitions	87,235	(62,900)	19,245	170,422	214,002	72,012
Appropriated Specific Provision	(9,400)		7,150	(4,776)	(7,026)	(30,617)
Capital purchases & alterations	(13,345)	(10,395)	(7,150)	(1,839)	(32,729)	(35,637)
Net Gain/(Loss)	$ 64,490	$ (73,295)	$ 19,245	$ 163,807	$ 174,247	$ 5,758